

Will the Customer Side of the Smart Grid Ripen or Rot?

Five First Principles for Embracing Customers as Co-creators of Value

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CUSTOMER PERFORMANCE

1



2



4



3



DEMAND RESPONSE ENERGY EFFICIENCY & LOAD SHIFTING

DR

EE

LS

REQUIRES
CUSTOMER PERFORMANCE

Customer Performance Example

MARY KAY®
Enriching Women's Lives™



Customer Co-Creation of Value

A



B



C



**Company Does
All The Work**

**Customer Does
All The Work**



Vision

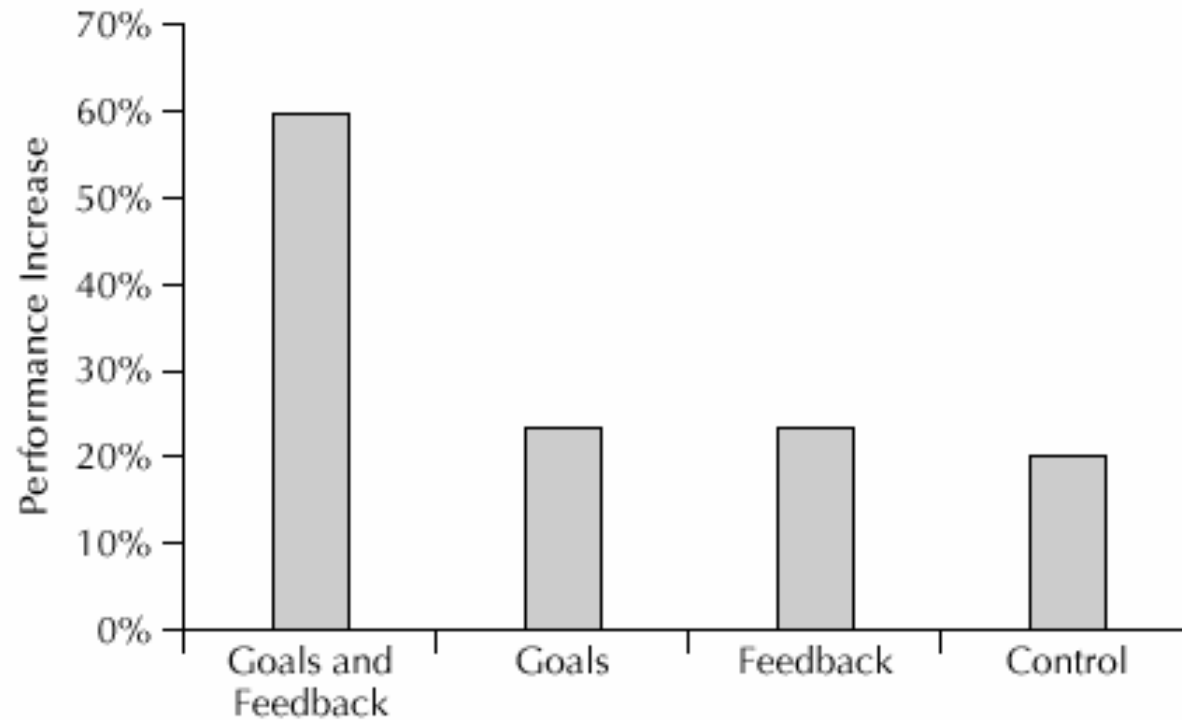
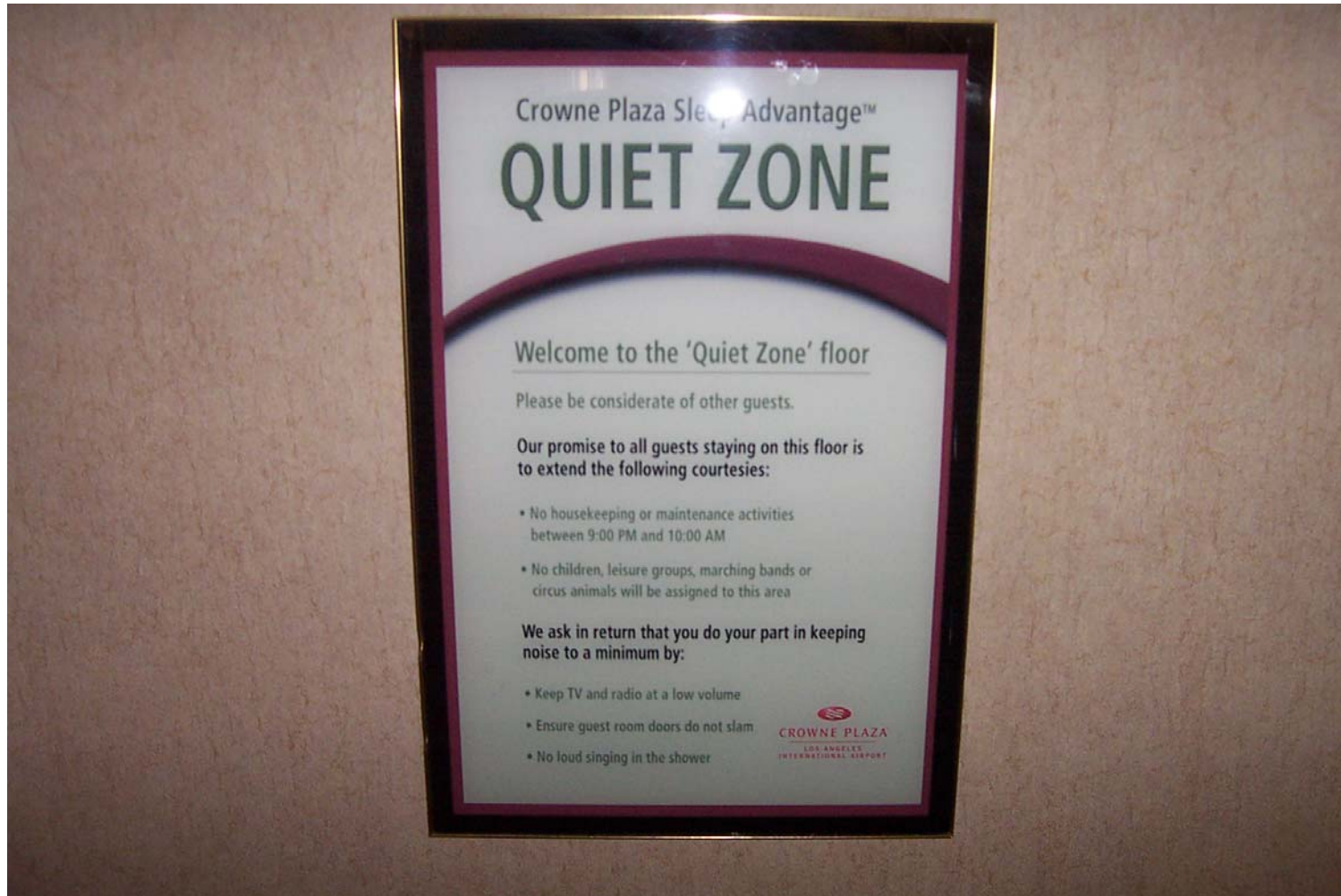


Figure 5.1 Performance results associated with goals and feedback. Adapted from Bandura and Cervone, 1983.

Vision Example

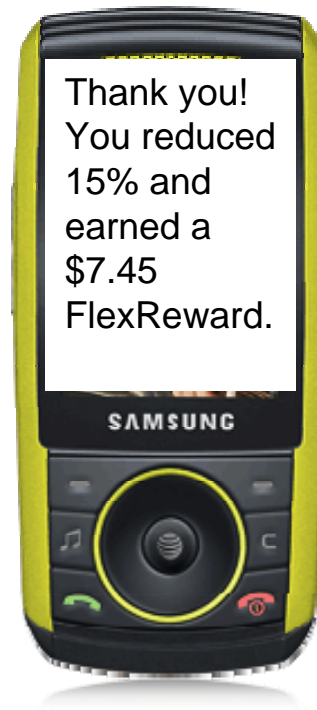


Vision Design for EE, DR & LS

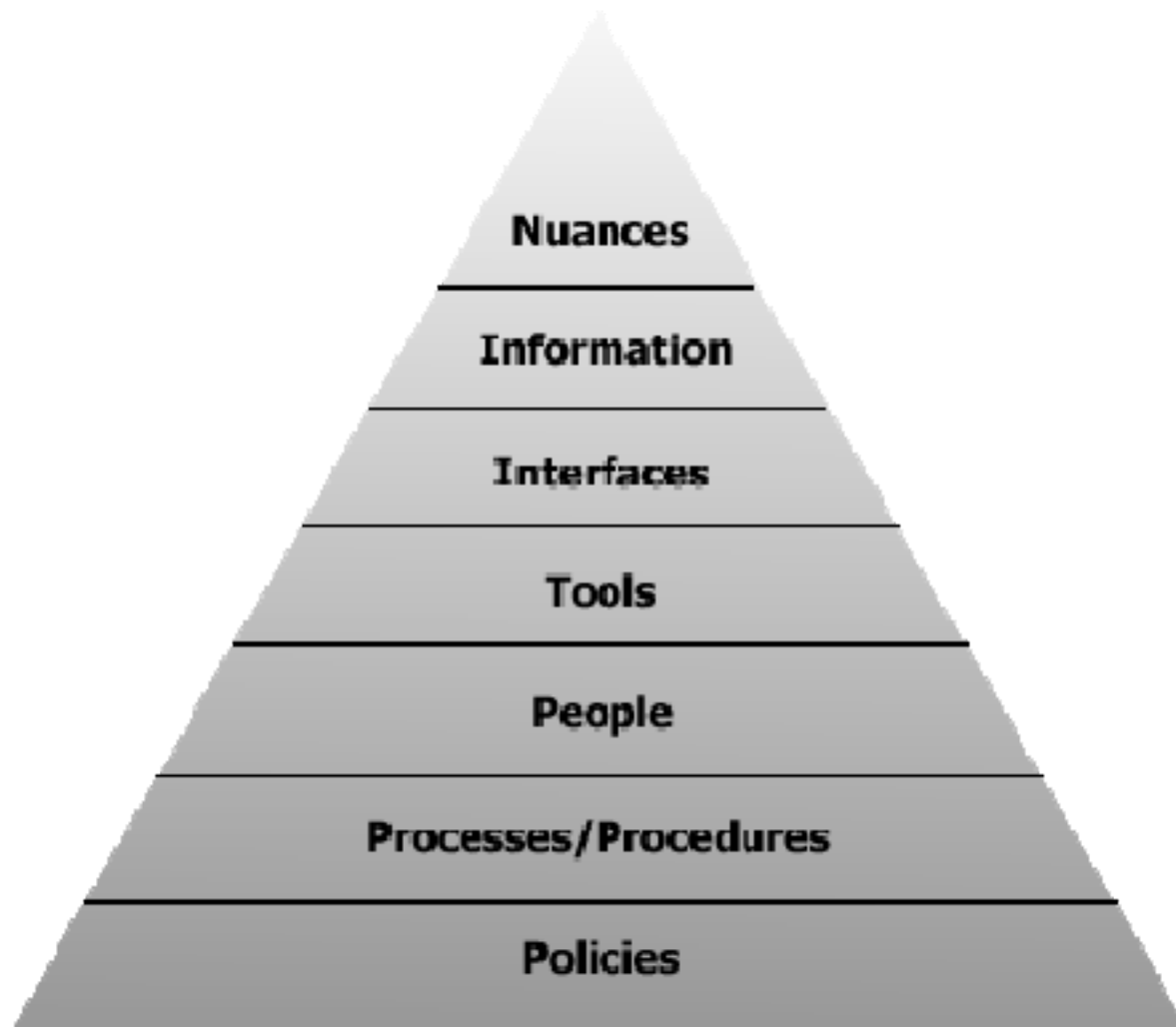
- Goals



- Feedback



Access



Access Example



Other Access Examples



Access Design for EE, DR & LS



My Account

Register for My Account

Accessing Your Smart Meter Data Online

Sign up other members of your household to view your smart meter usage data. These users will only be able to view the usage data and not access other areas of your account. [go on](#)

Household Member 1

Email Address:

Password:

☐ Email Access Information

Household Member 2

Email Address:

Password:

☐ Email Access Information

Household Member 3

Email Address:

Password:

☐ Email Access Information

Household Member 3

Email Address:

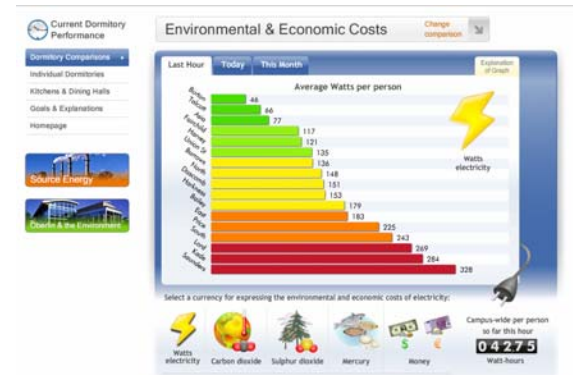
Password:

☐ Email Access Information

Add More Household Members

< Back

Next >



Voicemail Notification

Who would you like to notify you about a Demand Response Event?



☐ The Governor
Play



☐ Sponge Bob
Play



☐ Julia Louis-Dreyfus
Play

☐ Just randomly pick a person to notify me

Incentives

- Rewards
- Punishments
- Negative Reinforcement
- Removal of Punishing Conditions

**NO SOUP
FOR YOU!**



Incentive Example: Carrots



Add citicards@info.citibank.com to your address book to ensure delivery.

You simplify your life with Paperless Statements.
We'll give you a **chance to win \$25,000.**

Incentive Example: Sticks



(c) Guest acknowledges that Carnival's vessels contain non-smoking sections. Guest agrees to refrain from smoking in those sections and agrees that Carnival has the right to disembark the Guest for failure to observe Carnival's non-smoking policy.

Incentives Design for EE, DR & LS

- Carrots

- Peak Time Rebates
- Value-added Services
 - Outage notification
 - Surge insurance
- Lottery-style Awards

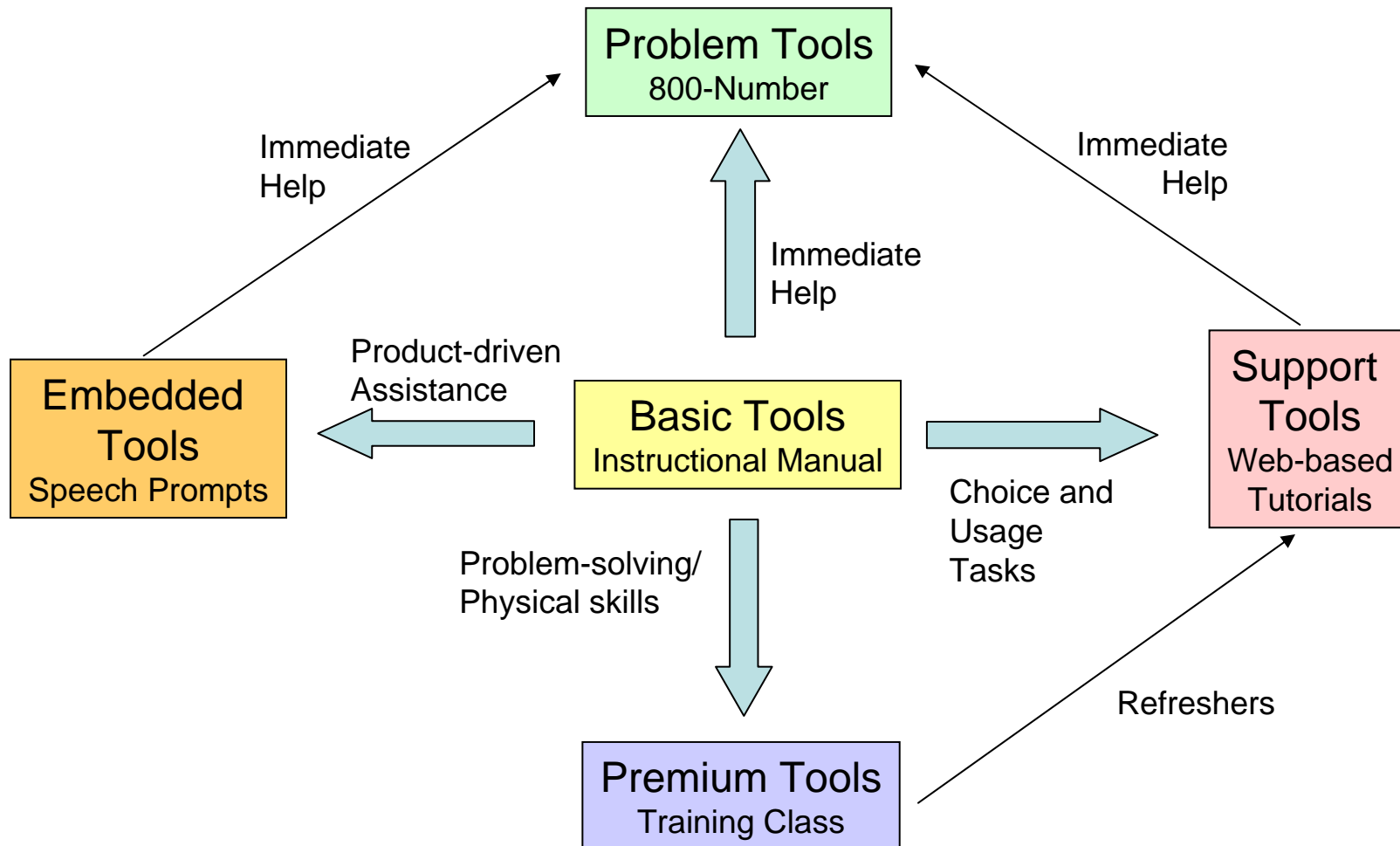


- Sticks

- Critical Peak Pricing
- Blackout Protection Priority



Expertise



Expertise Example



Another Expertise Example



ENROLL TODAY



1.888.282.4872



Learn from the driver's seat.

MINI DRIVER TRAINING
MORE SAFETY. MORE FUN.



Expertise Design for EE, DR & LS



Reading a Smart Meter — Date

Quiz: What date is shown here?

Possible Answers:

- A.** August 16, 2007
- B.** July 16, 2008
- C.** January 7, 1608



QUIZ

1



2



4



3



INTERLUDE & REFLECTION



FIRST PRINCIPLES



1



2



3



4



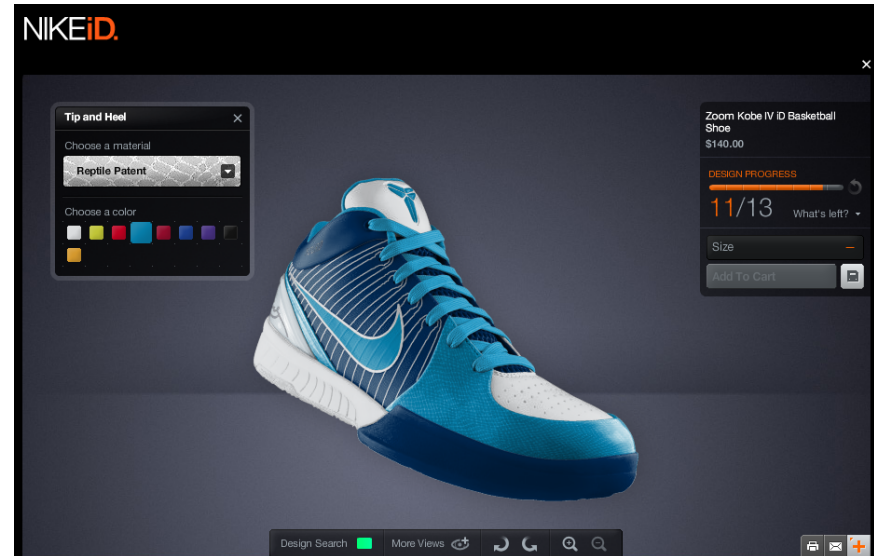
5

“PATERNALISTIC CULTURE”

Tom Standish, COO, Centerpoint Energy

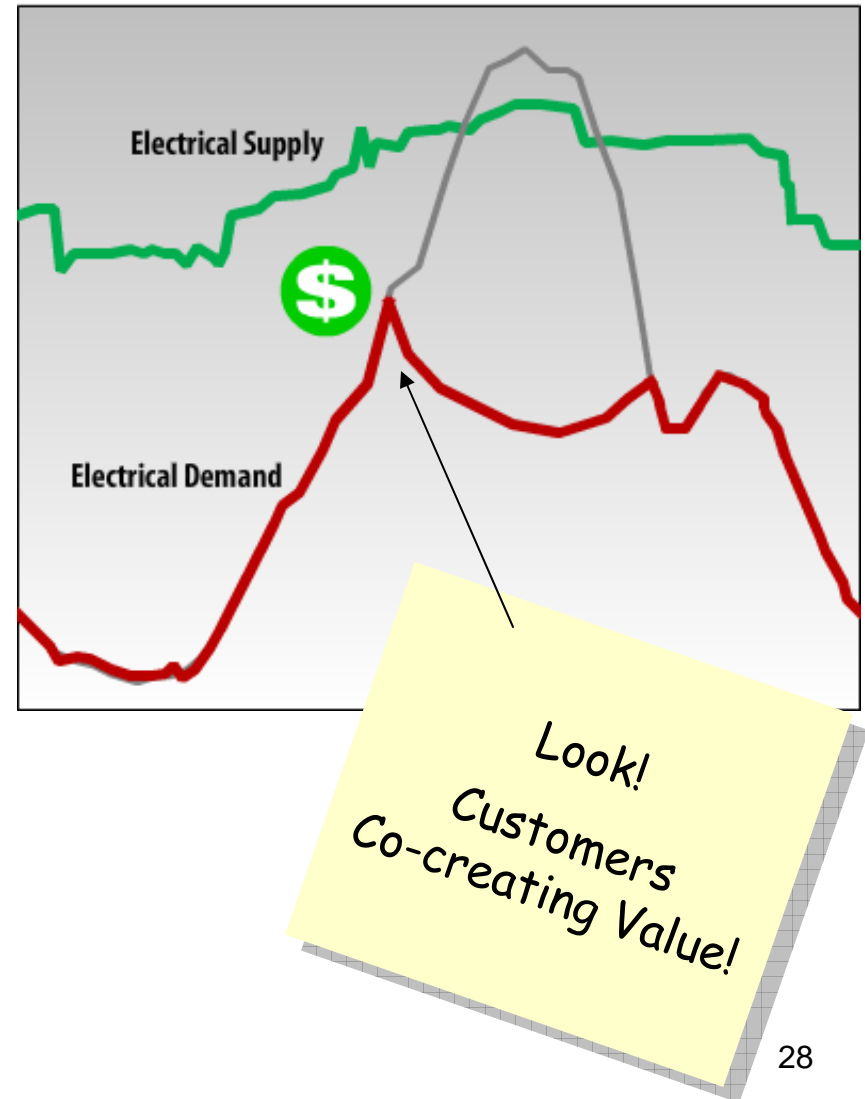
The treatment of customers in a parental manner, especially by caring for them but not allowing them to have rights or responsibilities.

CUSTOMERS AS CO-CREATORS OF VALUE



Demand response and its enabling technologies play a crucial role in developing the smart grid.

- US Congress



Five **First Principles** for Embracing Customers as Co-creators of Value



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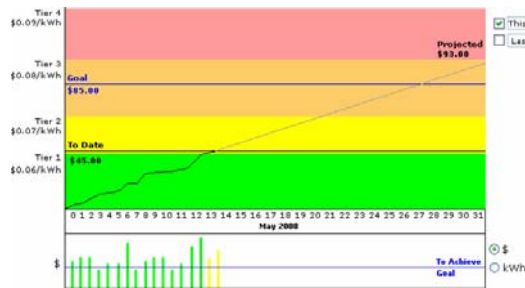


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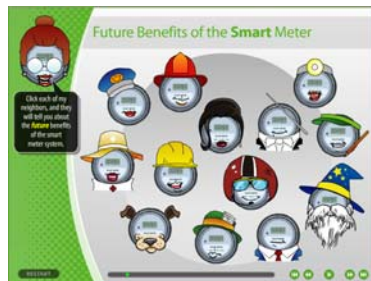


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1. EMBRACE CUSTOMER-CENTERED DESIGN



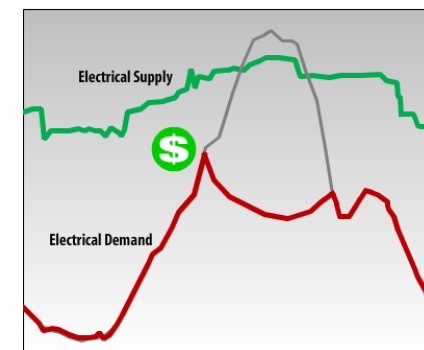

Processes, People, Tools, and Interfaces



Customer (and employee) information, awareness, and education



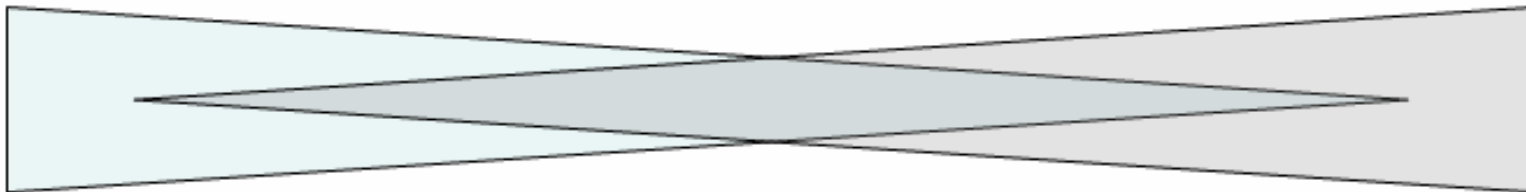
Rewards (Peak-Time Rebate)



2. BLEND RATIONAL AND EMOTIONAL EXPERIENCES

Rational

Emotional



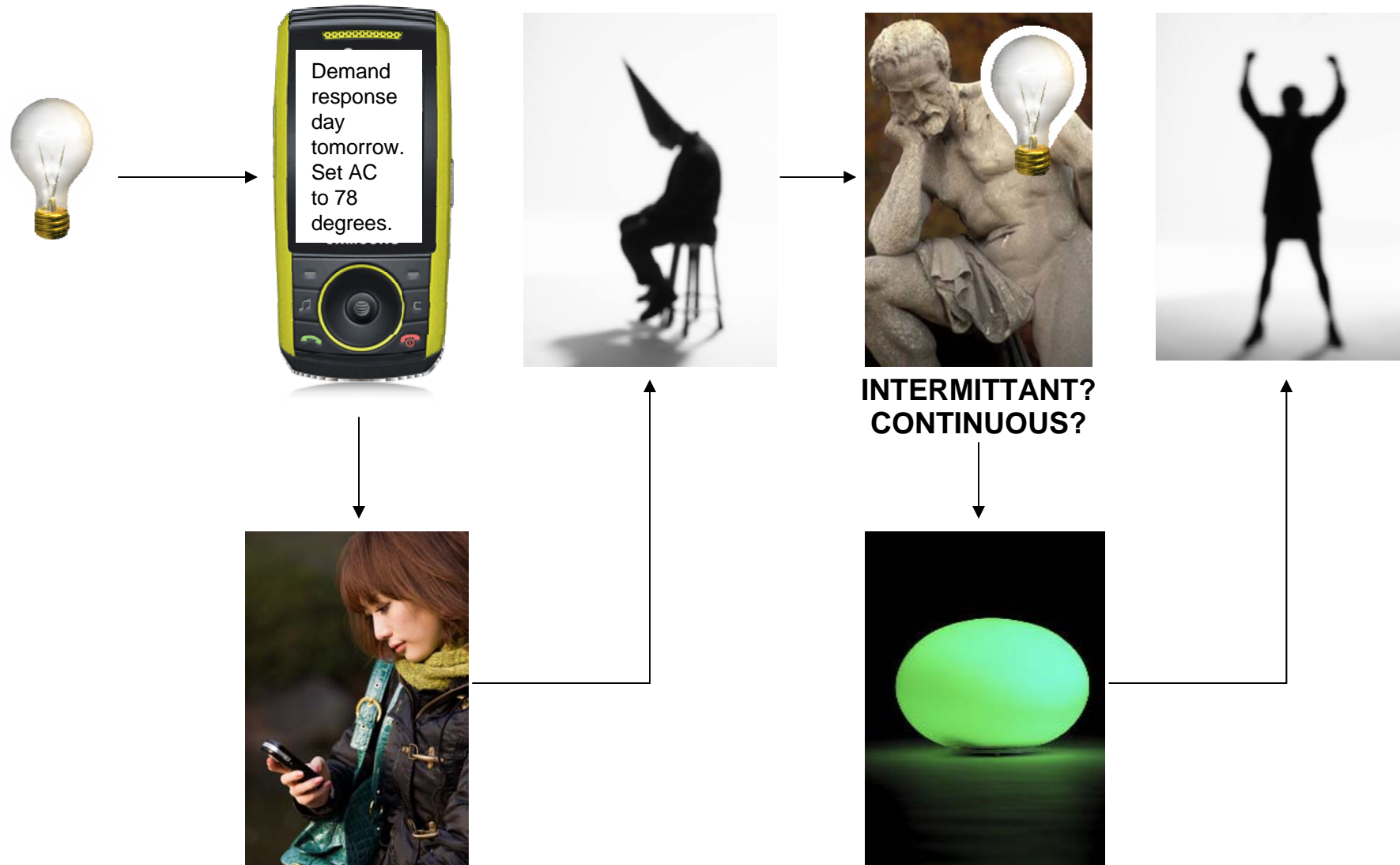
3. ENGAGE IN SMALL, OBSERVABLE ADOPTION STEPS



4. SEGMENT BY OBSERVABLE CUSTOMER ACTIONS



5. USE ACTION RESEARCH TO DRIVE EVOLUTION



QUIZ



1



2



3



4



5

Conclusion – What Enables Co-Creation of Value?



First Principles

1. Embrace customer-centered design
2. Blend rational and emotional experiences
3. Engage customers in small, observable steps of adoption
4. Segment by observable customer actions
5. Use action research to drive emergence and evolution of solutions

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